

BEFORE THE BOARD OF OIL, GAS AND MINING  
DEPARTMENT OF NATURAL RESOURCES AND ENERGY  
in and for the STATE OF UTAH

IN THE MATTER OF THE APPLICATION  
OF COTTON PETROLEUM CORPORATION  
FOR AN ORDER WITHDRAWING DRILLING  
AND SPACING UNITS #20 AND #25 IN  
THE PETERS POINT UNIT/JACK CANYON  
AREA IN CARBON COUNTY, UTAH

ORDER  
CAUSE NO. 157-2

This Cause, pursuant to Application of Cotton Petroleum Corporation and to notice duly and regularly given by the Board, was scheduled for hearing before the Board of Oil, Gas and Mining of the State of Utah on Thursday, April 29, 1982, at 10:00 A.M., and came on for hearing on said date in the Governor's Board Room, State Capitol Building, Salt Lake City, Utah.

Evidence in support of the Application was introduced through David D. Perkins, Landman, and Glen A. Garvey, geological engineer, representatives of Cotton Petroleum Corporation.

No objection to the granting of the Application was filed or expressed at the hearing.

FINDINGS OF FACT

The Board finds in this matter as follows:

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in form and manner and within the time required by law.

2. The Board has jurisdiction over the matter covered by said Application and over all parties interested therein, and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. Subsequent to entry of that certain Order dated November 20, 1974, referred to as Cause No. 157-1, there has been substantial change in knowledge of geological conditions existing in the area, and substantial change in conditions relating to wellsite access and pipeline access, as set forth in paragraphs 4 and 5 below.

4. The lands covered by said Application are underlain by sources of supply consisting of noncontiguous sands with limited interconnection, and the acreage to be drained by any well within the lands covered by said Application would not be in excess of 320 acres.

5. Access to, and transport of gas from, the lower canyons within the E $\frac{1}{2}$  of Section 9, Township 13 South, Range 17 East, Salt Lake Base and Meridian, is economically feasible.

6. The drilling and completion of a well on the E $\frac{1}{2}$  of Section 9, Township 13 South, Range 17 East, Salt Lake Base and Meridian, would not be economically feasible unless the boundaries of spacing and drilling units be modified as hereinbelow set forth.

7. The establishment of spacing and drilling units as hereinbelow set forth is appropriate to comply with good field development and operating practices, and to guarantee equitable distribution of revenues from existing ~~producing~~ producing wells. This spacing is appropriate for gas spacing only, and the Board makes no finding as to the spacing of oil or other hydrocarbons.

#### ORDER

Therefore, it is ordered by the Board of Oil, Gas and Mining that the certain Order dated November 20, 1974, referred to as Cause No. 157-1, is amended as follows, said Order otherwise to remain in full force and effect:

(1) Units #20 and #25 are withdrawn as previously designated and are reestablished and redesignated as follows:

Township 13 South, Range 17 East, SLB&M  
Unit #20:                      Section 4: All  
   Section 9: NW $\frac{1}{4}$

Total acreage: 480 acres

Unit #25:                      Section 9: SW $\frac{1}{4}$   
   Section 16: N $\frac{1}{2}$

Total acreage: 480 acres

(2) Unit #26 is hereby established and designated as follows:

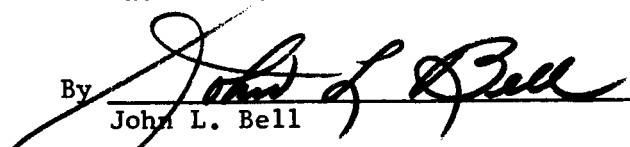
Township 13 South, Range 17 East, SLB&M  
Unit #26                      Section 9: E $\frac{1}{2}$

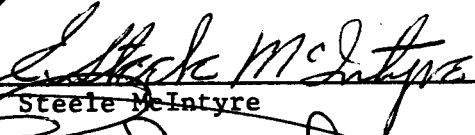
Total acreage: 320 acres

Dated this 29th day of April, 1982.

Board of Oil, Gas and Mining

By   
Charles R. Henderson

By   
John L. Bell

By   
E. Steele McIntyre

By   
Edward T. Beck

By Robert R. Norman  
Robert R. Norman

By Margaret R. Bird  
Margaret R. Bird

By Herm Olsen  
Herm Olsen